

PERFORMANCE OVERSIGHT COMMITTEE MEETING
Thursday, April 19, 2018

The meeting was called to order at 9:00 a.m. in Port Authority's Neal H. Holmes Board Room located on the fifth floor of the Heinz 57 Center with the following in attendance:

Board Committee Members
Michelle Zmijanac, Chair
Jennifer Liptak
Jeff Letwin

Other Board Member
John Tague
Ann Ogoreuc

1. Approval of Minutes:

Minutes from the March 15, 2018 Performance Oversight Committee meeting were approved.

2. Proposed Resolutions:

There were eight resolutions reviewed by the Performance Oversight Committee and are being recommended for consideration by the Board.

Mr. Trona first reviewed two procurement items and the Committee found the bids to be in accordance with the Authority's procurement policies and procedures, the prices to be fair and reasonable, and the bidders to be responsive and responsible.

The Performance Oversight Committee therefore agreed to recommend for award the items in the total amount of \$237,382.

Next, Mr. Wargo presented a resolution requesting authorization to enter into a Contribution Agreement with the Pennsylvania Department of Transportation for the Kenmawr Bridge project. He explained that PennDOT is planning to rehabilitate and improve the Kenmawr Bridge located in the boroughs of Swissvale and Rankin and adjacent to the East Busway.

PennDOT's design for the project includes the construction of an additional span on the bridge replacement structure to accommodate potential future expansion and extension of the East Busway. They are willing to proceed with the construction of the additional span subject to the Authority entering into a Contribution Agreement and agreeing to reimburse PennDOT for the costs associated with the construction of the span and the Authority conveying certain right-of-way necessary for completion of the project.

The Contribution Agreement in Exhibit A is recommended for a total not-to-exceed amount of \$1,460,000.

The Performance Oversight Committee agreed to recommend that resolution.

The next resolution, also presented by Mr. Wargo, authorizes the Authority to enter into an Agreement with Ansaldo STS USA, Inc., for the procurement and replacement of the Automatic Trip Stop System on the Authority's light rail vehicles. He explained that the Authority has determined that it needs to replace its existing Automatic Trip Stop System on its entire LRV fleet.

The Performance Oversight Committee agreed to recommend entering into the Agreement with Ansaldo for a total not-to-exceed amount of \$20,138,108.88.

The next resolution, also presented by Mr. Wargo, provides authorization to amend the Agreement with CDM Smith, Inc., to Provide Bus Rapid Transit Management and Engineering Services. Mr. Wargo explained that the Authority previously entered into an Agreement with CDM Smith to provide the services which included completing preliminary engineering work in support of the grant application for the BRT Project.

The Agreement was awarded for an initial term of two years, with the option to extend the Agreement up to one additional year.

Mr. Wargo reported that to date, CDM Smith has performed the services in a satisfactory manner and assisted the Authority in timely submitting a federal Small Starts grant application to the FTA in September 2017, which was highly rated by the FTA, but no Small Starts funding was available for award at that time.

In order to continue to advance the BRT Project and make a timely submission of an updated Small Starts grant application, it is necessary that the Agreement be extended one additional year through November 15, 2019, and to increase the total not-to-exceed amount by \$1,500,000.

The Performance Oversight Committee agreed to recommend extending the Agreement and increasing the total not-to-exceed amount.

Mr. Miller presented the next resolution that would authorize the Authority to amend its Agreement with CHK America, Inc., to provide signage and wayfinding program services.

Mr. Miller explained that services for the Wayfinding System consist of communicating consistent transit information to customers at all passenger facilities and bus stops and is scheduled to expire on April 30, 2018.

The Authority desires to continue the Agreement in order for certain tasks to be performed, including designing signage for major transfer locations and the various transit stops within the Authority's service area.

The Performance Oversight Committee agreed to recommend extending the agreement to April 30, 2019 and increasing the total not-to-exceed amount by \$1,300,000.

Mr. Adams presented the next resolution which seeks authorization to amend the Agreement for Employee Benefits Consulting. He explained that the Board previously authorized the award of the Agreement to Towers Watson Delaware, Inc., for an initial three-year term for a total not-to-exceed amount of \$1,000,000. The Agreement also contained two additional option years.

Mr. Adams noted that the consulting services provided by Towers Watson have been satisfactory to date and in compliance with the Agreement.

The Performance Oversight Committee agreed to recommend extending the term of Agreement for two additional years to July 31, 2020 and increasing the total not-to-exceed amount by \$700,000.

The next resolution was presented by Mr. Central which seeks authorization to amend Agreements for Investigative Services.

Mr. Cetra reported that in May 2015, the Board authorized the award of four Agreements to Specialty Private Investigators, Inc.; CSI Corporate Security and Investigations, Inc.; Pittsburgh Information and Research Company; and Investigations by King, LLC, to provide investigative services for an initial term of three years for a total not-to-exceed amount of \$300,000. The Agreements also contain two option years.

Mr. Cetra noted that Pittsburgh Information and Research Company has ceased doing business.

The Performance Oversight Committee agreed to recommend extending the remaining three Agreements for an additional year to June 30, 2019 with no increase in the total not-to-exceed amount of the Agreements.

The final resolution, also presented by Mr. Cetra, seeks authorization to amend the Agreement with the University of Pittsburgh.

He explained that Port Authority and the University of Pittsburgh are parties to an Agreement to provide eligible Pitt students, faculty and staff with access to and use of the Authority's public transit system. In exchange for this service, Pitt pays the Authority a fee of 50 percent of the Authority's base fare per card tap, which is currently \$1.25 per card tap.

The Performance Oversight Committee agreed to recommend extending the Agreement for one additional year to June 30, 2019.

3. Financial Report:

At the meeting, Mr. Schenk reported that Total Operating Income through March was approximately \$4.4 million higher than budget, principally due to higher Passenger Revenues. It was also reported that Total Expenses were approximately \$16 million under budget. Total subsidies were approximately \$2.5 million under budget, which is a timing issue with State Operating Assistance. Mr. Schenk noted that subsidies should meet budget by fiscal year-end.

With no further business, the meeting was adjourned.